

PROPOSAL #1

Proposal Title: EMBRYO TRANSFER TRAINING/BUYERS MISSION

Proposal Submission Date: August 14, 2008

Market: RS

Product/Sector: Livestock/ Livestock Genetics

Description of Problems(s) – Constraints:

Russia's livestock sector is developing at a rapid rate due in part to the large sums of money being invested in the sector as part of the National Priority Project in Agriculture (NPPA) and the Government Program for Agriculture and for Market Regulation 2008-2012, which calls for importing huge volumes of bovine genetics and live cattle from abroad. A focus of the NPPA is to support the livestock industry by providing finances for the construction, modernization and restoration of livestock farms. This has been taking place in many regions of Russia and several thousand brood cattle as well as millions of dollars worth of bovine genetics have been imported from Europe, Canada and Australia and now the United States.

It is being reported that a high number of imported cattle are dying within 6 months of arriving to Russia. Some operations are experiencing a 40 percent mortality rate. The main cause of this phenomenon is Russia's lack of knowledge and experience modern management techniques tailored for imported live animals of elite stock that require specific nutritional needs, decent veterinary care and proper handling/housing. Once imported livestock arrive to Russia, they quickly become undernourished and show distress (feed rations are based on 1950s-vintage soviet "scientific norms" taught in Russian agricultural colleges to this day). To further complicate things, shipping live cattle from the United States to Russia has proven difficult logistically. There currently are insufficient appropriate vessels available to ship large quantities of live animals to Russia. With all of the problems being seen with importing live cattle, demand in Russia has been booming for bovine genetics and in particular, bovine embryos. Embryos are easy to transport, cost effective and, when transferred by properly trained specialists, produce at very high rates of success. More and more ranches and dairy operations are moving towards importing embryos (and semen) as opposed to live cattle for the reasons stated above.

In late November 2007, USDA-APHIS and the Russian vet service successfully negotiated a new veterinary health certificate permitting the United States to export bovine embryos to Russia. Due to Russia's designation of the livestock sector as a national priority, significant U.S. sales are possible, but only with greater exposure and familiarization of modern embryo transfer technologies. This mission would help to avoid the Europeans' fate of being blamed for shipping substandard genetics. In addition, it would be necessary to couple sales of U.S. bovine embryos with a specially-tailored training program to improve success rates of exported embryos to Russia.

Project Objectives:

The activity aims to accomplish the following goals:

- familiarize Russian breeders and embryo transfer specialists with modern bovine embryo transfer techniques used in the United States;
- acquaint Russian ranchers and dairymen with the broad variety and quality of U.S. bovine genetics focusing on embryos for purchase;
- instruct approximately 10 Russian veterinary science professors and 40 Russian veterinary students on up-to-date embryo transfer technologies used in the United States;
- promote U.S. bovine genetics by inviting journalists to attend training events and the buyers mission by writing positive articles for Russian media outlets.

Performance Measures:

1. Improve knowledge of Russian university-level veterinary science professors and veterinary students with theoretical and hands on training of modern embryo transfer technologies.
2. View positive articles in Russian agricultural newspapers and magazines highlighting the quality and successful transfer rates of U.S.-origin bovine embryos.
3. Increase sales of U.S. bovine embryos to Russia.

Rationale:

In late 2007, the U.S. completed negotiations on a veterinary health protocol for bovine embryos to Russia. Genetics, however, are not the only answer to Russia's problems in the livestock economy; widespread use of outdated embryo transfer technologies, improper handling of imported embryos, and lack of hands-on training by Russian specialists in transferring embryos are also major problems leading to low embryo transfer success rates (low by U.S. standards) currently seen in Russia. This leads to low and even negative profitability in the sector, and thus to suppressed demand for superior American bovine embryos. Improvement in these areas through provision of American expertise would thus help promote sales of U.S. genetics (embryos and semen). With greater exposure, demand for U.S. bovine embryos would greatly increase at a time when Russia is investing heavily in this sector.

To avoid the Europeans' fate of being blamed for shipping substandard genetics, it would be wise to couple sales of U.S. bovine embryos with training programs tailored to university-level educators, veterinary students, and breeders to improve survivability of embryos exported.

Request: \$71,544

Activity Description:

Embryo Transfer Training/Buyers Mission

We propose to break down this project into two parts:

PART 1. Select two university professors/educators, one Ministry of Agriculture representative, six major cattle-breeders, 1 journalist from a leading media outlet focused on agriculture, an interpreter and a Moscow AgOffice FSN as guide to visit the Beef Expo in Columbus, Ohio in March 2009 followed by study of embryo transplantation at a U.S. land-grant university

(potentially the Ohio State University's Department of Animal Science). In addition, the group would meet with U.S. bovine genetics representatives and visit cattle operations in rural Ohio to witness firsthand embryo transfers taking place in the field.

The Ohio State University participates in the USDA-sponsored Cochran Program and thus has several years experience in training Russian agriculturalists. Arranging for training at this institution would also minimize time spent transporting the delegation within the United States.

It is proposed that this activity be organized in coordination with Ohio Cattlemen's Association, Select Sires, the Ohio Department of Agriculture and the Foreign Agricultural Service in Washington.

PART 2. Select two U.S. embryo transfer specialists to fly to Moscow to provide training to approximately 40 university-level veterinary students at the All Russian Institute of Livestock Breeding (ARILB). The training would be held at the ARILB and attendance would include veterinary specialists from many regions in Russia as well as members of the press.

These two parts would accomplish the goals listed above in "Project Objectives."

Notional Schedule for Part 1

Day 1 Depart Moscow for Marysville, Ohio

Day 2 Beef Expo, Marysville; visit livestock operations in rural Ohio

Day 3 Beef Expo, Marysville; visit more livestock operations

Day 4 Depart by car to Columbus (35 miles); livestock management training at the Ohio State University

Day 5 Livestock management training at the Ohio State University

Day 6 Visit with Select Sires and the Ohio Cattlemen's Association for sales presentations

Day 7 Depart Columbus for airport en route to Moscow

Activity Timeline: Start March 2009 **End** March 2009

Budget Year Data:

Interpreter	7 days @ \$500/day, \$3,500
Int'l Airfare	6 private sector participants, 2 university professors, 1 Ministry of Agriculture official, 1 journalist, 1 interpreter plus 1 Moscow FSN as guide, 12 x \$2,500, \$30,000;
Admission Fees	Beef Expo, 12 x \$100, \$1200
Seminars	\$3,000
Van Rental	2 Full-sized vans, Ford F350 passenger van or equivalent, 7 days, \$2,500
Lodging / MIE	12 x 6 days Columbus x \$142, \$10,224
Total	\$50,424

Notional Schedule for Part 2

Day 1 Specialists arrive in Moscow from the United States
Day 2 Embryo transfer training at ARILB Auditorium
Day 3 Hands on embryo transfer training at ARILB working dairy operation
Day 4 Embryo transfer training at local dairy farms
Day 5 Wrap up training day and press interviews
Day 6 Depart Moscow for the United States

Activity Timeline: **Start** April 2008 **End** April 2008

Budget Year Data:

Interpreter	5 days @ \$500/day, \$2,500
Int'l Airfare	2 U.S. veterinary specialists, 2 x \$2,500, \$5,000;
Consultation Fee	5 days @ \$750/day X 2, 7,500
Lodging / MIE	6 days Moscow @ \$510/day x 2, \$6,120

Total	\$21,120
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GRAND TOTAL \$71,544